INTRODUCTION OF THE TRIPLOID GRASS CARP CERTIFICATION PROGRAM

HON. BLANCHE L. LINCOLN

OF ARKANSAS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, January 24, 1995

Mrs. LINCOLN. Mr. Speaker, I rise today to introduce legislation that epitomizes the partnership between the Federal Government and private industry that we all strive so hard to achieve.

For the past several years the Fish and Wildlife Service has conducted a certification program for the triploid grass carp. This beneficial fish is utilized by 29 States to help control aquatic vegetation in lakes, ponds, and streams. The triploid grass carp provides an effective, economical method of caring for these environments without the use of chemical agents.

As the use of the fish has increased over the years, a number of States have adopted regulations which require the grass carp to be certified as sterile. If a reproducing carp were introduced into these environments it could cause serious damage to the existing fish species. The certification process assured States that the fish were sterile, thereby allowing their shipment by private aquaculturists.

In the past year the Fish and Wildlife Service conducted 550 triploid grass carp inspections at no charge to the producer. The cost of the program was $70,000. However, this year because of the dire fiscal situation that faces many agencies, the Fish and Wildlife Service has indicated that it will suspend the program within the next 60 days unless a solution is reached. The producers who have utilized this program have agreed to pay a fee that would cover the entire cost of the program with the understanding that the funds would be utilized for this purpose only. The Fish and Wildlife supports this arrangement but lacks the authority to implement it without congressional authorization.

This bill will accomplish that goal and provide for the continuation of a valuable program. I urge my colleagues to support this legislation.

THE CAPITAL FORMATION AND JOBS CREATION ACT OF 1995

HON. BILL ARCHER

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, January 24, 1995

Mr. ARCHER. Mr. Speaker, I am introducing the Capital Formation and Jobs Creation Act of 1995. I am proud that its provisions have been incorporated into the Contract With America. Speedy enactment of this bill will encourage investment in America, create jobs, reduce the cost of capital, and lead to greater short-term and long-term economic growth.

Compared to our major trading partners, Americans invest and save far too little. The Tax Code's poor treatment of savings and investment is a large reason why. We can best help American workers and businesses compete in the international marketplace by sweeping away these counterproductive tax disincentives. My bill does just that.

It contains three important capital gains incentives: First, a 50-percent capital gains deduction, second, indexation of the basis of capital assets to eliminate purely inflationary gains, and third, a provision to treat the loss on the sale of a home as a capital loss. The 50-percent capital gains deduction and the home sale capital loss provision would apply to sales on or after January 1, 1995. The capital gains indexation would apply to inflation, and sales of capital assets, occurring after December 31, 1994. All three of these provisions would make the Tax Code fairer by removing anti-taxpayer, anti-investment provisions.

The bill would substantially cut—at all income levels—the tax rate on capital gains by allowing taxpayers to deduct one-half of the amount of their net capital gains. Currently, capital gains are taxed at the same rate as ordinary income, subject to a tax rate cap of 28 percent. Thus, there is a modest capital gains differential for the upper tax rate brackets, but principally because the 1993 Clinton tax plan raised income tax rates. All taxpayers need a capital gains break, and not just one created by raising income tax rates. Unlike the 1993 Clinton tax plan, the bill would provide a middle-class tax cut by halving the capital gains tax rate for lower- and middle-income taxpayers. The new effective capital gains tax rates would be 7.5 percent, 14 percent, 15.5 percent, 18 percent, and 19.8 percent for individuals. Corporations would be subject to an effective top capital gains tax rate of 17.5 percent.

In addition, my bill would end the current practice of taxing individuals and corporations on gains due to inflation. Currently, taxpayers must pay capital gains taxes on the difference between an asset's sales price and its basis—the asset's original purchase price, adjusted for depreciation and other items—even though much if not all of that increase in value may be due to inflation. The bill would increase the basis of capital assets to account for inflation occurring after 1994. Taxpayers would be taxed only on the real—not inflationary—gain.

Finally, the bill would correct a wrong in the Tax Code by treating the loss on the sale of a principal residence as a capital loss. Currently, if a homeowner has to sell his or her home at a loss, that loss is not deductible—even though future sales may be taxable. This is heads-the-government-wins tails-the-taxpayer-loses. By treating the loss on the sale of a principal residence as a capital loss, the loss would be deductible subject to the capital loss deduction and carryover rules.

In the last election, the voters spoke clearly. They want less government and lower taxes. The Capital Formation and Jobs Creation Act of 1995 does both: it cuts taxes and shifts investment decisions from the Government to individuals and businesses. My bill sends a clear and unmistakable message that Congress is determined to dismantle barriers that are holding back the American economy.

HONORING THE NEIGHBORHOOD HOUSING SERVICES OF BALTIMORE ON ITS 21ST BIRTHDAY

HON. BENJAMIN L. CARDIN

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Tuesday, January 24, 1995

Mr. CARDIN. Mr. Speaker, I rise today to honor the Neighborhood Housing Services of Baltimore on its 21st birthday. This outstanding organization is dedicated on helping low- and moderate-income residents of Baltimore become first-time homeowners. I also want to take this opportunity to extend my best wishes to John R. McGinn, an inspirational leader who is retiring as NHS chairman.

The NHS has an impressive record. It has been involved in rehabilitating more than 620 vacant houses and has helped convert more than 900 renters into first-time home buyers. Since 1974, NHS has been an important force in providing adequate housing in the neighborhoods of Govans, Coppin Heights, Patterson Park, and Irvington/St. Joseph/Carroll. In addition, since 1993 NHS has instituted the Closing Cost Loan Program to provide from $500 to $5,000 in loans to help prospective home buyers with settlement and closing costs. They have successfully used $300,000 of NHS capital to leverage more than $4 million in conventional financing.

Much of this could not be accomplished without the help and advise of John McGinn, who has been a dedicated and inspired chairman of the NHS board for the past 3 years. In the past decade, in addition to being chairman, John McGinn has given many hours of this time serving on different NHS boards. His advice and professionalism has been a big part of NHS's success and its branching out into new projects.

I hope that my colleagues will also join my fellow Baltimoreans and me in congratulating NHS and John McGinn on a job well done. Our housing crisis is very serious, but the efforts of NHS and John McGinn have done much to help others realize their dream of home ownership.

H.R. 5, UNFUNDED MANDATES REFORM ACT OF 1995

HON. BOBBY L. RUSH

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, January 24, 1995

Mr. RUSH. Mr. Speaker, today we continue to debate H.R. 5, the Unfunded Mandates Reform Act. This measure comes at a time that is critical for State and local governments, which have been struggling over the past several years to balance their budgets while coping with ever-increasing costs. As a result, State and local governments have requested that we in the Congress establish a process to reexamine the fiscal implications of requirements that may be imposed on them by Federal initiatives.

In my district, the mayors of several suburban municipalities have strongly urged me to consider the impact that Federal laws may have on the financial stability of their governments. That is why I was a cosponsor of a bill introduced by my colleague, Mr. CONYERS, in

the 103d Congress, H.R. 5128, which received broad, bipartisan support.

Mr. Speaker, this legislation today seeks to answer some of these apprehensions. I would, however, point out how deeply concerned I am about the haste in which this legislation was brought to the House floor. While I recognize the importance of what we are to do today, I am very troubled that certain important issues were not fully considered in committee. In their rush to pass their so-called Contract With America, the Republican majority has run roughshod over the democratic, deliberative process which we have been sworn to uphold. My Democratic colleagues in the Government Operations Committee, which I proudly served on last Congress, can attest to the outlandish manner in which this bill was handled in markup. This calculated attempt by my friends on the other side of the aisle to stifle thoughtful debate cannot and will not be ignored.

It was my hope that we in the House would debate the unfunded mandates issue in the normal manner in which legislation of this importance is considered. This debate today, however, is a culmination of a Republican-dominated legislative process that makes a mockery of this noble institution. Despite the modified open rule under which this bill is being considered, it is my understanding that my good friend, Chairman CLINGER, is opposed to any amendments other than those that are clerical and technical in nature. This is in order to pass a bill quickly to the other body. This is most unfortunate; I was looking forward to supporting and passing amendments that would protect our health, labor, and safety laws; that would protect the Clean Air and Clean Water Acts; and that would ensure the protection and strength of our social contracts with the elderly and the needy in this country. This will not happen today if the Republican majority has their way.

These and other critical concerns will not be addressed in this legislation because the majority party wishes to ram this into law just to say to their supporters that they can get things done in Washington. Well, Mr. Speaker, while I advocate the general intent of this legislation, I cannot support the manner in which the Republican majority has brought this bill to the floor. Therefore, Mr. Speaker, I urge my colleagues to stop our Republican friends from handcuffing our democratic institution, and I urge all my fellow Democrats to stop this Contract With America from undermining the democratic and deliberative principles that this institution has functioned under for the past 200 years.

BRINGING BACK THE DEDUCTION FOR LEGITIMATE BUSINESS EXPENSES

HON. BARBARA F. VUCANOVICH

OF NEVADA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, January 24, 1995

Mrs. VUCANOVICH. Mr. Speaker, today I am introducing legislation to restore the business meal tax deduction to 100 percent. In 1993, as part of the President's economic plan, Congress passed legislation reducing the tax deduction for business meals and entertainment from 80 percent to 50 percent. I didn't see the wisdom of that $16.3 billion tax increase then, and I don't see it now.

Anyone who has owned a business or been involved in management can testify to the legitimacy of using meals and entertainment as a marketing tool. Yet we single out this particular business expense, penalizing the restaurant industry, the tourism and entertainment trades and the foodservice industry, to name only a few. When this deduction was reduced from 100 to 80 percent in the Tax Reform Act of 1986, it greatly impacted these industries—industries which are crucial to Nevada. Now, because of the reduction from 80 to 50 percent, it is estimated that almost three-quarters of mid-sized companies in America have made policy changes resulting in reductions in meal and entertainment expenses.

I can tell you from conversations I've had back home that many of Nevada's businesses rely heavily on the business meal and entertainment deduction as a marketing tool to solicit clients. Moreover, restoring the deduction is essential to the tourism trade—which employs almost a third of the State's labor force—in my home State of Nevada. Restoring the business meal deduction will increase restaurant patronage and convention business and help fill hotels and motels not only in Nevada, but across the country. I'm sure it would have a similar effect across the Nation, and I urge my colleagues to support my efforts to restore the 100 percent deductibility of business meal and entertainment expenses.

A TRIBUTE TO HIS MAJESTY KING BHUMIBOL ADULYADEJ (KING RAMA IX) OF THAILAND

HON. DANA ROHRABACHER

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, January 24, 1995

Mr. ROHRABACHER. Mr. Speaker, I rise today to acknowledge King Rama IX of Thailand on the occasion of the Royal Golden Jubilee celebration which commences this month and continues through 1997. His Majesty will enter his 50th year of reign on June 9th.

His Majesty has been an extremely positive influence on his people and continues to be a constructive force in Southeast Asia and the world. His Majesty's influence can be discerned in his numerous projects, his lifelong interest in public health, his efforts to bring peaceful solutions in times of conflict, and his generosity in helping refugees in neighboring countries, especially the Karenni of Burma. His contributions have made King Bhumibol the prime source of inspiration, pride and joy among the Thai people.

TERRORIST EXCLUSION ACT, H.R. 650

HON. BENJAMIN A. GILMAN

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, January 24, 1995

Mr. GILMAN. Mr. Speaker, I am pleased today to reintroduce a bill I originally cosponsored and helped author in the 103d Congress under the leadership and efforts of our former colleague now in the other body, Ms. SNOWE. That bill, H.R. 2730, excluded from the United States any individual on the basis of mere membership in a terrorist organization, as such a group is defined by the Attorney General in consultation with the Secretary of State.

The bill I am reintroducing today, H.R. 650, is identical to H.R. 2730 from the last session of Congress. It will end the ridiculous situation we now have where we often have our State Department officials wringing their hands and spending countless hours trying to determine the nature of the visa applicant's membership and level of activity within a terrorist organization or group.

Similar provisions as were in H.R. 2730 passed the other body under the leadership of Senator HANK BROWN during the 103d Congress. However, unfortunately, they did not become law; nor did the House get an opportunity to act to close this glaring loophole in the immigration laws and the State Department's interpretation of those laws today.

Today we often see time-consuming State Department analysis made to determine whether to deny a visa to an individual who is a mere member of a terrorist group, but hasn't yet been convicted of an act of terrorism in an appropriate court of law and with some consular officer's view of appropriate due process.

Under our State Department's view of current law, mere membership alone doesn't automatically create a presumptive basis for denial of a visa, therefor the protracted analysis and soul searching I mentioned, often follows.

The bill I introduce today shifts the burden of proof and makes the denial of the visa presumptive based upon mere membership by the visa applicant in a terrorist organization alone, as defined by the Attorney General and the Secretary of State based upon available. data.

The visa applicant, not the State Department consular officer, must make the case for his or her right to travel to the United States.

The Secretary of State in a recent JFK School of Government speech said that the State Department was going to get tough on international terrorism and international criminals. In fact, as part of the administration's plan of action, the Secretary said ''* * * we will toughen standards for obtaining visas for international criminals to gain entry to this country.''

Surely, to the average American, those who are members of overseas terrorist groups, as such groups are determined by the Attorney General and the Secretary of State under by bill, would clearly fit the category of international criminals.

International criminals, whether yet formally convicted or not of terrorism, or who we may or may not know want to travel to the United States to engage in possible terrorist acts ought not get U.S. entry visas. It is as simple as that, and my bill will bring that about.

The public would demand our State Department exercise the visa issuance discretionary function and authority in the best interests of the United States, and denial should be in order in such membership cases, one would hope. The benefit of the doubt should go to the U.S. interests. However, let us not rely on hope or ambiguity; my bill gives the State Department clear authority, the ability, and the direction to deny visas in the case of mere